(Rs. in crores)

| Year | MMTC | STC |
|---|---|---|
| 2000-01 | 24.05 | 22.00 |
| 2001-02 | — | — |
| 2002-03 | 12.22 | 16.44 |

(b) and (c) The ex-gratia benefit under Voluntary Retirement Package was extended @ 60 days emoluments (Basic pay + DA) for each completed year of service or parts thereof at the time of retirement or emoluments (Basic pay+DA), multiplied by the balance months of service left before normal date of retirement, whichever is less, as per DPE's guidelines. Terminal benefits were in addition to the VRS compensation.

To attract more employees to opt for VRS in the wake of MMTC & STC having been listed for disinvestment, the ex-gratia calculation was done on the basis of 26 days as a month in consonance with an illustration of computation given in DPE's guidelines dated 8th December, 2000. DPE modified the scheme on 6.11.2001 and *inter alia* clarified that the month had to be reckoned as 30 days for computation of voluntary retirement compensation and the employees who have already been released by the PSUs before the date of issue of this clarification, shall not be covered under the modified scheme. After the receipt of above clarification, MMTC and STC have computed ex-gratia on the basis of 30 days as a month.

**Construction of Warehouse by STC at Kakinada Port**

1247. SHRI MURLI DEORA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether STC started construction of a warehouse at Kakinada Port in 1997;

(b) if so, the details thereof including the amount spent thereon;

(c) whether the warehouse was fully utilised for the purpose for which it was built;

(d) if not, the reasons therefor and what was the percentage of utilisation;

(e) whether STC handled any export of wheat and rice from this port in 1998 and if so, the details thereof;

(f) when STC stopped its oil extraction business constituting 20 per cent of the cargo handled and when the office was closed; and

(g) the justification for constructing unviable warehouse and why no responsibility was fixed?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) Yes, Sir.

(b) On allotment of land in January, 1996 at Kakinada Port on 30 years' lease at a rent of Rs. 4.21 lakhs per annum and on receipt of a Detailed Project Report (DPR) from M/s Rail India Technical & Economic Services (RITES) consultant in December, 1996, the Board of Directors approved in March, 1997 the construction of warehouse having 1.03 lakhs square feet covered space and 1.23 lakhs open space. The final cost of the warehouse including fee paid to RITES was Rs. 5.11 crores.

(c) and (d) The warehouse was completed in April, 2000. At the time when setting up of a warehouse was intended, there was a good volume of business through that port in commodities such as wheat, rice, oil extractions and further growth was envisaged. Oil extraction export was one of the major activities. However, from 1997 onwards, there has been a steep decline in the export of oil extractions due to multiple factors like excess of world supply over demand, quality problems with Indian extractions, economic crisis in far east countries, El-Nino effect which forced STC to suspend its extraction operations. Thereafter, when RITES handed over the warehouse, after construction to STC in April, 2000, STC considered various options for its utilisation including renting out the space. A godown had been utilised for leasing out in the absence of STC's own utilisation thereof due to stoppage of oil extraction business. The utilisation has been as under:—

(i) Open space: for a period of 4 months from 1.10.2000 to 31.01.2001 @ Rs. 0.50 per square feet per month and @ Rs. 0.75 per square feet per month with effect from 1.11.2002.

(ii) Covered space: from December, 2001 to till December, 2002 @ of Rs. 1.60 per square feet per month.